Introduction

By Robert L. Suettinger

A 24-year career intelligence analyst, Robert L. Suettinger served as Deputy National Intelligence Officer for East Asia on the National Intelligence Council from 1989 to 1994 and as National Intelligence Officer for East Asia from 1997 to 1998. He also was Director of Asian Affairs on the National Security Council from 1994 to 1997. His book on U.S.-China relations, *Beyond Tiananmen: The Politics of U.S.-China Relations, 1989-2000*, was published by The Brookings Institution in 2003.

This volume, consisting of 37 declassified National Intelligence Estimates (NIEs) and Special National Intelligence Estimates (SNIEs) on China, along with the CD-ROM containing these and 34 other such documents, is a welcome addition to the study of intelligence and policy in the United States Government. It joins several other noteworthy collections by CIA's Center for the Study of Intelligence, including *Watching the Bear: Essays on CIA's Analysis of the Soviet Union* (2003), *CIA's Analysis of the Soviet Union, 1947-1991* (2001), *At Cold War's End: U.S. Intelligence on the Soviet Union and Eastern Europe, 1989-91* (1999), and *CIA Assessments of the Soviet Union: The Record Versus the Charges* (1996)[1] as rich sources of information for historians and political scientists interested in how the intelligence process works, how well it performs its tasks, and what impact it has on policy. The documents in this volume played an essential role in helping U.S. Government leaders and officials formulate policy toward the Communist Party of China during the Chinese civil war and the government of the People's Republic of China (PRC) after its founding in 1949 and during Mao Tse-tung's (Mao Zedong's)[2] leadership.

Equally important, in my view, is the significance of these papers as source documents in our ongoing efforts to understand the PRC, its politics, economics, and foreign policy. Unlike the collections on the Soviet Union, which are retrospectives on a failed Soviet Union and a Cold War now over, these papers contain formative thinking on an existing state, an ongoing challenge to American interests and security. They are, in a sense, some of the foundation stones for a work that is still in progress. Papers on Communist Party leadership issues of 50 years ago remain pertinent to an understanding of how leadership succession and transition issues are carried out in contemporary Beijing. The studies of the Taiwan Straits crises of the 1950s are relevant to the cross-Strait tensions of today, which still see the United States in the middle of the remnants of China's civil war. Echoes of China's involvement in the Korean War can be heard in the Six-Party Talks currently under way to resolve tensions between the United States and North Korea over its nuclear program. And China's economy—now one of the world's largest—is clearly a product of its struggles with industrialization and agricultural modernization, tracked in the Estimates published in this volume.

On the Subject of Estimates

[1] These and other documents are most easily accessed through the CSI Web site at http://www.cia.gov/csi/index.html.

[2] During this period, the US government used the Wade-Giles Romanization system for Chinese names. Later, it adopted the *pinyin* system used in China. In referring to individual Chinese leaders, I will use the Wade-Giles system first, followed by the current spelling in *pinyin*.

Before going into details about the papers and their significance, however, it is important to note that all but a few of the papers in this collection were published originally in the form of National Intelligence Estimates or Special National Intelligence Estimates. Unlike other intelligence reports, which focus on current intelligence, Estimates are forward-looking assessments. Such Estimates, from the earliest days of the modern U.S. intelligence system—the product of the National Security Act of 1947—have been considered to be the best analysis of specific issues of national importance or of national crisis situations that could be brought to bear by the Director of Central Intelligence (DCI), with the concurrence of the other intelligence organizations of the United States Government. As DCI Walter Bedell Smith put it in a 1950 meeting of the Intelligence Advisory Council,

> A national intelligence estimate . . . should be compiled and assembled centrally by an agency whose objectivity and disinterestedness are not open to question. . . Its ultimate approval should rest upon the collective judgment of the highest officials in the various intelligence agencies. . . [I]t should command recognition and respect throughout the Government as the best available and presumably the most authoritative estimate. …It is … the clear duty and responsibility of the Central Intelligence Agency under the statute to assemble and produce such coordinated and authoritative Estimates.[3]

Accordingly, the responsibility for drafting Estimates, after briefly being assigned to CIA's Office of Research and Estimates (ORE), was located in CIA's Office of National Estimates (ONE) as of November 1950. ONE performed its estimative task fully, preparing more than 1,500 of them until the office was disestablished in November 1973.[4] ONE was a small organization, consisting of a Board of National Estimates of between five and twelve senior experts, a professional staff of 25-30 regional and functional specialists, and a support staff.[5]

Estimates could be requested (tasked) by the President, members of the National Security Council, any member of the United States Intelligence Board (USIB—predecessor of the National Foreign Intelligence Board, discussed below), or by the leadership of ONE itself. Upon completion by ONE—a process that averaged about 6-8 weeks, Estimates were forwarded to the DCI, who presented them to the weekly USIB meeting for final concurrence. At this point, if individual bureaucracies had specific objections to judgments made in the Estimate, they would be discussed, registered, and entered into the final draft. Final copies of Estimates were disseminated by ONE to 100-300 individuals or offices within the U.S. Government, depending upon classification levels, subject and relevance. After publication, many Estimates also were subjected to a formal review of "intelligence gaps" or shortfalls of information it was hoped could be addressed by intelligence collectors.[6]

To improve responsiveness to intelligence needs and to better engage the Intelligence Community members[7] in the drafting of estimative intelligence, the ONE was succeeded in 1973 by National

---

[3] Quotations from Sherman Kent, *The Law and Custom of the National Intelligence Estimate*, available at http://www.cia.gov/csi/books/shermankent/5law.html.

[4] *Ibid.* The numbering system for Estimates in this collection reflects this organational history. Estimates produced by ORE bear the office's abbreviated designator. National Intelligence Estimates (NIEs) and Special National Intelligence Estimates (SNIEs) were produced by ONE.

[5] *Ibid.* See also Sherman Kent, *The Making of an NIE*, which is available at http://www.cia.gov/csi/books/shermankent/making.html. This is a particularly valuable essay by the individual who was head of ONE from 1952 to 1967. It discusses in detail the ONE process of preparing an Estimate from beginning to end.

[6] *Ibid.*

[7] As currently constituted, the Intelligence Community consists of the Central Intelligence Agency, Defense Intelligence Agency, National Security Agency, National Geospatial Intelligence Agency, National Reconnaissance Office, the State Department's Bureau of Intelligence and Research, Air Force, Army, Coast Guard, Marine Corps

Intelligence Officers. This group of substantive experts became the National Intelligence Council in 1979.[8] Only two of the papers in this volume and three in the entire collection were produced under the auspices of the NIO system. The final approval for NIEs currently is the responsibility of the National Foreign Intelligence Board, which is chaired by the DCI or Deputy DCI, and consists of the heads of the principal intelligence collection and analytic services in the US Government.[9]

To this day, Estimates remain controversial. Yet for all their controversy they are not always the most critical components of the foreign policy making process. Again, to paraphrase Sherman Kent, estimating is what you do when you do not know something with exactitude or confidence. In discussing large or complex topics, formal intelligence Estimates necessarily have to delve into a realm of speculation, a dense process of trying to separate out the probable from the possible from the impossible, and of providing answers to difficult but important questions with an appropriate degree of uncertainty about incomplete information.

In the course of a 24-year career in the U.S. Government, I have been both a producer and a consumer of intelligence Estimates,[10] and can attest to the variegated role they play in the policy making process. If they are written at the specific request of a policy principal, or focused on an ongoing crisis, Estimates are likely to be read avidly and be an important factor in crisis management and decisionmaking. If they are highly technical and involve weapons of mass destruction, they will be read carefully and be factored into long-range planning processes, particularly by military consumers. If they are more general overviews of internal politics, economic development, or even foreign policy, they are less likely to be read by key policymakers, but they may be highly useful in educating middle-level officials and other members of the Intelligence Community on general policy issues and potential problems just over the (invariably short) horizon of the policy players.

In any case, Kent's advice to those charged with preparing Estimates remains sound. An Estimate,

> …should be relevant within the area of our competence, and above all it should … be credible. Let things be such that if our policymaking master is to disregard our knowledge and wisdom, he will never do so because our work was inaccurate, incomplete, or patently biased. Let him disregard us only when he must pay greater heed to someone else. And let him be uncomfortable—thoroughly uncomfortable—about his decision to heed this other.[11]

Equally important, in my view, NIEs are documents of record, contributions to institutional, and perhaps national history. Current intelligence analysis disappears quickly and even more thoroughly than yesterday's newspaper. Mid-range analysis is usually remembered only if it's wrong. But Estimates put the big judgments on the record, they represent the collective knowledge of hundreds of intelligence analysts, and they are intended to stand a test of time—in most cases, two to five years. So in a sense, they are written for historians as well as policymakers.

---

and Navy Intelligence, the Federal Bureau of Investigation, Department of Homeland Security, Department of Energy, and the Treasury Department.

[8] For a full description of the NIC, its organization, history, mandate and a selection of its products, go to http://www.cia.gov/nic/NIC_home.html.

[9] This structure was authorized under Director of Central Intelligence Directive 3/1, of January 14, 1997, which can be found at http://www.fas.org/irp/offdocs/dcid3-1.html.

[10] See biographic note at the beginning of this essay.

[11] "Estimates and Influence," Sherman Kent, available at http://www.cia.gov/csi/books/shermankent/4estimates.html

Domestic Politics—The Mao Years

In considering how to divide up and comment on the rather large and unwieldy body of analytical literature provided in this collection, I thought it might be useful to adopt the overall structure of some of the Estimates themselves, particularly the generic overview Estimates, such as NIE 13-58 and NIE 13-60, both entitled *Communist China*. Their usual analytical line of march was to comment on the leadership situation within the party, then move on to economic matters, including sources of public discontent, military capabilities, then foreign policy, finishing with an outlook. I will follow that pattern, looking at what intelligence estimators had to say about China's domestic political environment, economic developments, military capabilities, and finally foreign affairs, specifically Sino-Soviet relations and the Taiwan issue.

People outside the intelligence business often assume that intelligence analysts have unique sources of information—classified data and secret reports—and that therefore their assessments should be more insightful, accurate and predictive; in other words, truer. The documentation provided in this volume leaves little doubt that, at least in the early years of the PRC, intelligence analysts enjoyed few advantages over their academic and journalistic counterparts on the question of the inner workings of the Chinese Communist Party. Beginning with the first post-1949 Estimate on Communist China in 1951, NIE 10, *Communist China*, the estimators came up with a firm judgment about the leadership that scarcely wavered for a decade:

> For the foreseeable future, the Chinese Communist regime will probably retain exclusive governmental control of Mainland China. Although there is undoubtedly much dissatisfaction with the Communist regime in China, it does enjoy a measure of support or acquiescence and is developing strong police controls. No serious split in the Communist regime itself is now indicated.[12]

Three years later, in the more comprehensive NIE 13-54, *Communist China's Power Potential Through 1957*, published in June 1954, it was noted that while a February central committee plenary meeting suggested that "differences and rivalries" appeared to exist within the leadership group led by Mao Tse-tung (Mao Zedong), no "clearly established factions" existed, and the leadership was characterized by "cohesion and stability." The plenum had, in fact, overseen the first major party purge, that of Politburo member Kao Kang (Gao Gang) and Organization Department director Jao Shu-shih (Rao Shushi), but the information would not become public knowledge for another year.

It should come as no surprise that hard information sources during this early period would be sparse. The United States and China did not have formal diplomatic relations, a trade embargo kept commercial contacts to a bare minimum, and a state of extreme ideological hostility permeated the relationship in the wake of the Korean War. Information from Taiwan was not always considered accurate or reliable. Moreover, the PRC itself had put together an extremely effective propaganda and information control operation that kept stories of its internal politics and policy deliberations strictly confidential. Even in 1979, after extensive investigation of party documents and other materials released during the Cultural Revolution, Frederick Teiwes would note that the causes and outcomes of the Kao Kang purge remained obscure.[13]

By 1960, evidence of discontent within the upper ranks of the party had grown, and NIE 13-60 noted that the purge of Defense Minister P'eng Te-huai (Peng Dehuai) and several others in 1959 was

---

[12] NIE 10, *Communist China*, January 17, 1951, page 1. All pages cited in NIEs and SNIEs refer to the page numbers of the original documents.

[13] Frederick C. Teiwes, *Politics & Purges in China: Rectification And The Decline Of Party Norms, 1950-1965*, (New York: M.E. Sharpe, Inc., 1979), pages 166 ff.

"probably the result of their questioning of party policies."[14] But the overall judgment of the Estimate was that Mao's authority and support base were such that his views would prevail in party councils, and "factionalism will not be a serious issue while he lives."[15] Three years later, NIE 13-63, *Problems and Prospects in Communist China,* would note that, while the regime's economic policies and the cutoff of Soviet assistance had done "grievous" damage to the Chinese economy and further reduced popular support, Mao retained "ultimate power," along with the core of individuals who had led the party since the 1930s. While the estimators doubted that factionalism would become a problem, the NIE raised "actuarial" concerns about Mao and his colleagues, most of whom were in their late 60s or older.[16]

NIE 13-7-65, *Political Problems and Prospects in Communist China*, represents something of a watershed and is one of the most remarkable documents in the collection. Relentlessly pessimistic, the paper focuses on evidence of ineffective political and economic policies, reduced morale among lower-level party members, increased tensions and attacks on intellectuals in the "socialist education campaign," and a top-level leadership that is "increasingly inflexible and dogmatic." Mao is described as "fearful and suspicious," sensitive to criticism, and increasingly focused on personal loyalty above all else. He "shows a tendency to look back upon his years as a guerrilla leader for methods of coping with modern-day problems" which the writers believe will bring more unworkable policies. Yet the Estimate notes—again accurately—that factionalism, while possible, has not yet become serious enough to "crack the discipline under which the leaders have so long operated."[17]

Nine months later, the "Great Proletarian Cultural Revolution" was in full swing, instigated by Mao against his designated successor Liu Shao-ch'i (Liu Shaoqi) and his cohorts, who were now accused, *inter alia*, of disloyalty, trying to restore capitalism, and practicing factionalism. What ensued was a confusing and chaotic decade-long political struggle that did enormous damage to China's social stability, political system, economy, and foreign policy. In its initial phases, students and analysts of China were often at odds over what appeared to be remarkably self-destructive policies and actions. Two senior CIA analysts wrote articles in *The China Quarterly* during 1967-68, presenting contrasting perspectives on what the raucous and increasingly violent internal political struggle was all about.[18]

One of the unintended consequences of the Cultural Revolution was an explosion of previously unknown documentary material being published in various Chinese newspapers and journals. As members of the Red Guard and Cultural Revolution Group radicals denounced and sought to justify the purges of veteran Party leaders, they published speeches, exposés, articles and other materials that shed considerable light on earlier periods of the party's history. The Foreign Broadcast Information Service, Joint Publications Research Service, and the Hong Kong consulate's Survey of Chinese Mainland Publications translated and published extra editions to try to keep up, providing a treasure trove for intelligence analysts and academic specialists alike.[19] In some ways, experts had a glut of information.

---

[14] NIE 13-60, *Communist China*, December 6, 1960, page 9.
[15] *Ibid.*
[16] NIE 13-63, *Problems and Prospects in Communist China*, May 1, 1963, page 4.
[17] NIE 13-7-65, *Political Problems and Prospects in Communist China*, August 5, 1965, pages 3, 9.
[18] See Philip Bridgham, *Origin and Development [of the Great Proletarian Cultural Revolution]* in *The China Quarterly* No. 29 (January-March 1967), pages 1-35; Philip Bridgham, *Mao's Cultural Revolution in 1967: The Struggle to Seize Power* in *The China Quarterly* No. 34 (April-June 1968), pages 6-37; and Charles Neuhauser, *The Chinese Communist Party in the 1960s: Prelude to the Cultural Revolution* in *The China Quarterly* No 32 (October-December 1967), pages 3-36.
[19] Roderick MacFarquhar, in his monumental three-volume study, *The Origins of the Cultural Revolution*, published by Columbia University, makes extensive use of the documentary material released during this period to put

But that didn't necessarily make the job of estimating any easier. NIE 13-7-67, *The Chinese Cultural Revolution*, is a carefully balanced effort to try to make some sense of the conflicting information. It is blunt in its evaluation of the unknowns and risks inherent in predicting outcomes. It states, "The political crisis in China continues. No end is in sight. Among the several possible outcomes, no one is distinctly more likely than others."[20] The paper is prophetic in noting that civil war or fragmentation along regional lines was unlikely and in assessing the probability that a cautious group within the military would be inclined to find common ground with moderate political leaders in the post-Mao era. And it reaches careful, but appropriate conclusions about where the movement would go.

> There will probably continue to be fluctuations between more radical initiatives and periods of consolidation or retreat. We cannot predict precise tactics or individual victims at the top. But we can be fairly confident that as long as Mao is capable of political command, China's situation will probably be tense and inherently unstable.[21]

After Mao, the estimators expected a "disorderly and contentious" succession struggle, followed by the gradual abandonment of his "discredited" political and economic policies, with military and civilian leaders attempting to find common ground and restore policies that might "secure modest economic growth."[22] What the Estimate drafters could not know, of course, is that Mao would live for another nine years.

Unfortunately, the collection provides only a few examples of this kind of cogent analysis on China's leadership situation. In NIE 13-9-68, which weighed the impact of the Cultural Revolution on Mao and his adherents, the opposition to Mao and the instruments of power in China were again examined. Also in NIE 13-3-72, *China's Military Policy and General Purpose Forces*, there is considerable discussion of the political turmoil within the military following the purge of Defense Minister Lin Piao (Lin Biao), who was later accused of trying to engineer a coup against Mao.[23] But that carefully constructed tale—still something of a mystery—was not completed at the time of the Estimate, which in any case was devoted to a more thorough discussion of PLA strengths and capabilities. Thus, a discussion of the late phases of the Cultural Revolution is not available among these papers. Part of the reason may lie in the fact that the newly organized National Intelligence Officer system (instituted in 1973) had not put together a research or analytical program on China's internal political situation that was comparable to that of ONE. And perhaps during that period of nascent U.S.-China friendship and relationship-building, there was less call for gloomy assessments of China's muddled political situation. But the tale of the Mao years seems strangely unfinished.

The record is nonetheless an impressive one. Of course, it is easy to find mistakes and missed calls, as in any retrospective on estimative material. But the fundamentals are consistently right. The drafters of NIEs during this period had an understanding of Chinese history, a good grasp of the dynamics of a Soviet-style politburo system, and a growing base of information about the personalities and policies of the Beijing government. Their judgments were very general, focused on

---

together a detailed history of leadership interactions during the 1950s and early 1960s. Although evaluation of the origins of the Cultural Revolution and its political goals remains controversial, NIE 13-7-67 holds up very well both as an accurate accounting of a tumultuous period, and in comparison with some press and academic analysis done during the time.

[20] NIE 13-7-67, *The Chinese Cultural Revolution*, May 25, 1967, page 1.

[21] *Ibid.*, pages 10-11.

[22] *Ibid.*, page 12.

[23] According to later accounts, Lin was killed on September 12, 1971, while trying to flee to the Soviet Union in a commandeered military airliner. Lin's principal lieutenants—who dominated the 9th Central Committee Politburo elected in 1969—and many other military officers were arrested and removed from power in a massive purge of the People's Liberation Army.

the threats presented by "Communist China"[24] to U.S. interests, especially in Asia. But they were objective, non-ideological, and balanced, at least in my view. The more important judgment that the Estimates consistently got right was that the Communist Party was never challenged—from 1948 onward—in its predominance of power on the Chinese Mainland, and that Mao was never effectively challenged from within the party. Even when his unrealistic economic policies brought on the disaster of the Great Leap Forward—which the ONE analysts initially underestimated, both in terms of its economic and social impact—or when his ideologically ambitious programs and propaganda led to a split with the Soviet Union, even when his jealous paranoia nearly destroyed the Communist Party during the Cultural Revolution, Mao's leadership was never really in doubt. And even today, Mao's reputation is not open to question within the Communist Party.

Measuring China's Economy

From the period following the Korean War armistice, when "Communist China's" survival as a state seemed assured, the papers provided in this collection make clear that evaluating China's economic policies and performance was an important part of the task of estimating China's performance and prospects. Earlier Estimates, such as the strongly ideological and apparently inaccurate ORE 89-49, *The Food Outlook for Communist China,* and NIE 10, *Communist China*, only looked at economic issues insofar as they might be liabilities to regime survival—and even then warned against trying to use them to undermine the new Communist government. Beginning with NIE 13-54, *Communist China's Power Potential Through 1957*, estimators tried to evaluate and measure China's economic performance and to develop understandable statistical standards. This effort was hampered by the slow development of an economic statistical system in China. The targets of the first five-year plan (1952-57), for example, were not announced until 1955 and were revised almost continuously after that.

The estimators took stock of what was known of China's preliminary economic plan, clearly saw that it was modeled on Soviet lines, and drew their conclusions accordingly.

> Emphasis is placed upon increasing the output of the industrial sector, particularly heavy industry and transport. Fulfillment of the regime's plan depends upon increasing agricultural output while rigorously restricting consumption so as to provide the resources needed to support the industrial investment and military programs. A large part of the capital goods needed to fulfill the program will have to be obtained from the rest of the Soviet bloc in return for Chinese exports.

The Estimate drafters fully recognized the enormity of the tasks facing China and credited the regime with making significant progress in reconstituting an economy shattered by civil war, social turmoil, and decades of mismanagement. They added that China also was faced with serious shortages of technically skilled economic managers and administrators, a costly over-concentration on military production, and a rapidly growing population, all of which would limit growth.

---

[24] The use of ideologically-backed terms like "Communist China," rather than "China" or "PRC," or until the 1960s, "Peiping" (Beiping)—the Nationalist Chinese term—rather than Peking (Beijing) does not imply an ideologically biased perspective in these papers. With a few exceptions, they are carefully neutral and non-ideological in their judgments of Chinese actions and accomplishments. They do not shrink from the view that, as part of the international Communist movement, China's goals and practices were intrinsically hostile to the United States. But they do not reflect some of the more extreme perspectives (or terminology) used elsewhere in the public domain—e.g. "Red China," "Chicoms," etc.—during this period.

Nonetheless, the Estimate concluded that China was likely to achieve a 20-25 percent growth in total output over the course of the first five-year plan. [25]

The next major look at China's economic performance came in NIE 13-58, *Communist China*, which included a five-page annex on the first five-year plan, detailed analysis of central budgetary expenditures, and an assessment of key economic sectoral growth rates. Again, the overall Estimate was upbeat, a carefully nuanced evaluation that concluded China's ambitious goals for its second five-year plan were within reach, if difficult and dependent upon a number of non-economic variables. One of the most important of these was the very narrow margin of difference between the overall rate of population growth and the growth of agricultural production. In a cautionary footnote, the Estimate added,

> Chinese Communist statistics on which the data and analyses throughout this Estimate are based are subject to the same reservations as those of other Bloc countries, but to a somewhat greater extent, in view of the inexperience on the part of the newly established Chinese Communist statistical collection system. . . . Chinese Communist statistics are the basis for the regime's planning and we believe are not, in general, misrepresented.[26]

In retrospect, the Estimate's economic projections proved to be substantially wrong, and China's economy suffered catastrophic setbacks in the following two years. While the Estimate's analysis represented good-faith and methodologically sound attempts to draw on existing quantitative data for estimates of future performance, the drafters underestimated the degree of political interference that Mao would introduce into the economic planning and production system. And although they tried to factor in statistical inaccuracies, they could not have predicted the massive and deliberate misrepresentation of production data that characterized the "Great Leap Forward" from its inception. They were not alone in that error; not only other Western academic experts, but the entire Chinese economic planning system seemed disoriented and unable to comprehend the scale of China's economic problems during those years.

By 1963, the regime's economic travails were better understood, even if the political struggles that lay behind them remained opaque. NIE 13-63, *Problems and Prospects in Communist China*, presented a harsh assessment of the Great Leap and its aftermath: "During the past five years, . . . Communist China's economy has been grievously mismanaged. The leadership has been handicapped by inadequate economic training and experience, limited by a narrow doctrine, and misled by fanaticism."[27] It attributed a considerable degree of the damage to China's economy to the withdrawal of Soviet aid and expertise that accompanied the Sino-Soviet split. (See below) The paper also included a lengthy annex analyzing China's economic performance in 1962—a very general, sectoral evaluation based on non-Chinese statistics or internal CIA Estimates. It held out the possibility of a continuing recovery—perhaps to the general level of productivity achieved in 1957—if the regime focused its attention on improving agricultural production and continued "to pursue relatively moderate and reasonable policies and if it has reasonable luck with the weather." It warned, however, that the margin between success and failure remained so slim as to render any estimate of China's economic future "general and tentative."[28]

China's economic problems remained the focus of Estimates in the following three years, and ONE analysts saw their worst-case scenarios coming true. NIE 13-5-67, *Economic Outlook for Communist China*, reflects an implicit sense of frustration at the continuing failure of the economy to fulfill its potential. It states,

---

[25] NIE 13-54, *Communist China's Power Potential Through 1957*, June 3, 1954, page 1.
[26] NIE 13-58, *Communist China*, May 23, 1958, page 22 footnote 1.
[27] NIE 13-63 *Problems and Prospects in Communist China*, May 1, 1963, page 5.
[28] *Ibid.*, page 6.

> There seems little doubt that economic performance has declined this year, but it is impossible to quantify the decline. . . Peking has published little useful data since 1960. With economic planning in a state of suspended animation, it seems likely that major economic initiatives will be postponed until some resolution of the political struggle is achieved.

Nonetheless, the Estimate judged that efforts were being made to insulate basic economic production from the worst excesses of the Cultural Revolution, and an economic crisis did not appear to be imminent. [29]

The NIE collection does not provide any further examples of focused economic analysis. Part of the reason is perhaps organizational—CIA's Directorate of Intelligence formed an Office of Economic Research in 1966, and it assumed the task of providing detailed and statistical analysis of China's economy, developing sophisticated techniques and models to compensate for the paucity of official economic statistics but for the most part reporting its findings through channels other than ONE. Another reason is that China's economy continued to stumble along for the next ten years, and the policy community's interests shifted to more urgent issues involving China's strategic weapons programs and its foreign policies toward the Soviet Union and the United States.

In looking at the extraordinary "takeoff" of the Chinese economy of the last 20 years, its rapid achievement of global significance and the changes it has brought to ordinary Chinese, it is difficult to see how it might have emerged from the economic shambles described in these Estimates. It is worth noting, however, that for a significant percentage of China's population—those dwelling in the rural areas away from the coast—real economic conditions may not have changed so radically from what is depicted in these Estimates. Agricultural production still lags urban industrial development, excess farm population remains a serious drag on the economy, and rural discontent continues to challenge the political leadership, echoing developments described in these Estimates. China may be under new economic management, but some of the old problems linger.

The Military Challenge and China's Strategic Weapons Programs

Very few of the Estimates in this collection failed to take account of, and several focused exclusively on, the development of the People's Liberation Army (PLA), in earlier years referred to as the "Chinese Communist army" into an effective fighting force and a threat to the security interests of the United States. Irrespective of the variations of ideological concern evident in these papers—and it varied in interesting ways—the notion that Chinese military capabilities merited respect and concern is evident throughout.

- In describing the shocking collapse of the Nationalist Chinese in the civil war, ORE 77-48 observed in 1948: "The strength and tactical success of the Chinese Communist [Armed] Forces have been the chief instruments in the ascent of the Communist Party, and will continue to be so . . . "[30]

- On the eve of China's entry into the Korean War in 1950, another NIE stated: "The Chinese Communist Forces are . . . believed capable either of: a) halting further UN advance northward

[29] NIE 13-5-67, *Economic Outlook for Communist China,* June 29, 1967, page 4.
[30] ORE 77-48, *Communist Capabilities for Control of All China,* December 10, 1948, page 1.

by matching any foreseeable UN buildup with piecemeal commitment of forces . . . ; or b) forcing UN withdrawal further south through a powerful assault."[31]

- NIE 13-54 considered In 1954: "The internal control and international power position enjoyed by the Communist regime rest largely upon the power potential of China's military establishment, at present the largest of any Asian nation."[32]

- In the 1958 Quemoy-Matsu crisis, SNIE 100-9-58 warned: "If opposed only by Chinese Nationalist forces, the Chinese Communists have the capability to deny the Taiwan Strait to the Chinese Nationalist air force, interdict supply of the offshore islands, or seize these islands."[33]

- Assessing China's strategic aspirations after it tested both fission and fusion weapons in the mid-1960s, NIE 13-8-67 observed: "The present leaders probably believe that the successful development of strategic weapons would greatly enhance their prestige and strengthen their claims to leadership in Asia and their status as a great power . . . the Chinese may believe the ability to strike the U.S. and targets in Asia with nuclear weapons would serve to limit U.S. military operations in Asia and to keep any confrontation at the level of conventional arms where the Chinese would expect to enjoy many advantages."[34]

A corollary to the assessment that the Beijing regime was reliant on its military forces and had invested significant economic resources into their development was the observation in several of the papers in this collection that Beijing's leaders were chary of risking a direct military confrontation with the United States, either strategic or conventional. This was probably partly the result of the Korean War, when Mao did throw enormous numbers of troops into a conventional war against American troops and suffered heavy casualties only to bring about an indeterminate result—the tense armistice that continues today. That reluctance may also have been a result of the 1954-55 Quemoy-Matsu crisis when U.S. President Dwight Eisenhower threatened the use of tactical nuclear weapons against Mainland targets if the PRC attacked the Nationalist-controlled offshore islands of Quemoy (Chin-men or Jinmen) or Matsu (Mazu).[35] Most importantly, however, Beijing's caution was part of Mao's own military doctrine, which stressed defense of Chinese territorial integrity and sovereignty, "People's War," and a prudent approach to a militarily superior American foe. NIE 13-3-67 put this succinctly:

> Although the threat of force and its actual use beyond China's borders are significant elements in Peking's outlook, Chinese military strategy places primary emphasis on defense. With the possible exception of their nuclear/missile activities, we do not see in train the general programs, the development or deployment of forces, or the doctrinal discussions which would suggest a more forward strategy. At least for the short term, the high-priority nuclear program is probably viewed by the Chinese as primarily for deterrence . . . [36]

---

[31] NIE 2, *Chinese Communist Intervention in Korea,* November 6, 1950 (two weeks before the "Chinese People's Volunteers" entered the war in force), page 3.
[32] NIE 13-54, *op.cit.*, page 2.
[33] SNIE 100-9-58, *Probable Developments in the Taiwan Strait Area,* August 26, 1958, page 2.
[34] NIE 13-8-67, *Communist China's Strategic Weapons Program,* August 3, 1967, page 3.
[35] See Robert Accinelli, *Crisis And Commitment: United States Policy toward Taiwan, 1950-1955,* (Chapel Hill, NC: University of North Carolina Press, 1996) and Thomas E. Stolper, *China, Taiwan, and the Offshore Islands: Together with an Implication for Outer Mongolia and Sino-Soviet Relations,* (Armonk, NY: M. E. Sharpe, Inc., 1985).
[36] NIE 13-3-67, *Communist China's Military Policy and Its General Purpose and Air Defense Forces,* April 6, 1967, page 1.

Two SNIEs on China's response and involvement in the Vietnam War and three on the Taiwan Straits Crisis of 1958 make clear the different estimators were certain of their analysis that China would not risk an open confrontation with the United States. In 1966, for example, after the United States Air Force had expanded and intensified its bombing of North Vietnamese targets near Hanoi and Haiphong, ONE was asked to evaluate the prospects for China becoming more actively involved in combat operations. SNIE 13-66 declared: "At present levels of U.S. action against [North Vietnam], we continue to believe that China will not commit its ground or air forces to sustained combat against the U.S. In our view, neither the Chinese nor the North Vietnamese regard the present situation as critical enough to justify outside intervention with its attendant risks of a much wider war, ultimately including the threat of nuclear war . . . "[37] They believed China would continue to be involved in helping North Vietnam resist American military pressure—including the deployment of some support troops—but would not engage as they had done in Korea.

Likewise in the Taiwan Straits situation, the baseline estimate in May 1958 had been that China would "not resort to military action to seize Taiwan, so long as this would involve risk of war with the U.S."[38] It did hold out the possibility that China would take a "more aggressive" approach to the offshore islands. When the PLA artillery units across from Chin-men began shelling the island heavily in late August 1959, the National Security Council requested an Estimate of Chinese Communist intentions. SNIE 100-9-58 reiterated that the actions were intended to test U.S. and "Republic of China" government intentions, but that China's armed forces, while they had the capability to attack the offshore islands, were "probably deterred because of their fear of U.S. intervention."[39]

When the PRC upped the ante by declaring it would interdict Nationalist resupply of the Chin-men garrison and would fire on any ships in its territorial waters, another Estimate was prepared. This one, SNIE 100-11-58, hedged a bit, saying the PRC seemed to be displaying a greater willingness to risk war with the United States. It predicted that, should Washington choose to use the U.S. Navy to resupply the island or escort Nationalist shipping into PRC territorial waters, China "would probably attack the U.S. force." However, the estimators reiterated that it still did not appear as though either China or the Soviet Union were preparing for a large-scale conflict.[40] President Dwight Eisenhower chose to have the U.S. Navy escort Nationalist resupply ships up to the three-mile limit of PRC territorial waters, while at the same time again threatening nuclear attacks against PRC forces should the war widen, and reopening diplomatic talks with China in Warsaw. In early October, Chinese artillery barrages were lifted for a week to allow resupply without interference, and the crisis gradually wound down. Follow-up SNIEs in late October 1958 and in February 1959 reiterated the point that the Chinese backed down in the face of U.S. resolve to defend the offshore islands.

In retrospect, China's inability to counter either U.S. conventional or nuclear capabilities in the Taiwan Strait, and the clearly limited Soviet willingness to back up its Chinese ally during the crisis (a point also noted in the Estimates) no doubt contributed both to the increase in Sino-Soviet tensions and to China's decision to accelerate its own program to develop strategic weapons. After 1960, that program became the focus of increasing attention for estimators, who produced thirteen Estimates on the subject between 1962 and 1974. Knowledge of the Chinese program was driven largely by increasingly sophisticated intelligence collection programs, particularly satellite imagery, which began to be available in the early 1960s. The nature of those programs—and their continuing relevance to collection and analysis of intelligence today—accounts for the heavy redaction to be found in most of the papers dealing with China's efforts to develop its nuclear program.

---

[37] SNIE 13-66, *Current Chinese Communist Intentions in the Vietnam Situation,* August 4, 1966, page 5.
[38] NIE 13-58, *op.cit.*, page 19.
[39] SNIE 100-9-58, *op.cit.*, page 5.
[40] SNIE 100-11-58, September 16, 1958, pages 1-2.

Viewing heavily redacted documents can be a frustrating process and will not yield many unique insights into the nature of either China's nuclear weapons or strategic missile programs. The redacted documents do demonstrate the intense interest and concern that the programs generated in both the United States and the Soviet Union. They also reveal that estimating a country's nuclear capabilities—much less intentions—on the basis of a few photographs and other scarce clues has been an imprecise science from the start. In the first major Estimate on China's strategic weapons program, NIE 13-2-60[41], ONE estimators judged that the first nuclear detonation would most probably occur in 1963, though possibly in 1964 or 1962 depending on the degree of Soviet assistance. On the other hand, SNIE 13-4-64, *The Chances of an Imminent Chinese Communist Nuclear Explosion*, for example, published in late August 1964, noted the apparent readiness of the test site at Lop Nor (now Lop Nur), but saw few indications that a sufficient amount of fissionable material was available for a bomb, and concluded a test was unlikely before the end of the year. The test took place on October 16, 1964.

The speed with which the Chinese nuclear program developed remains a matter of surprise. Two years after its first atmospheric test, China announced it had tested a nuclear weapon aboard a guided missile, and in June 1967, it conducted its first test of a thermonuclear weapon. This impressive progress took place despite significant weakness in the Chinese economy and amid growing chaos in the political system caused by the Cultural Revolution. The apparent insulation of China's strategic weapons programs from the turmoil of the larger society impressed the drafters of NIE 13-8-67, *Communist China's Strategic Weapons Program*, with the sense of determination that lay behind the program. But the speed of its development had left the estimators with "little evidence on Chinese thinking with respect to the role of nuclear weapons in [China's] overall strategy."[42] They did not appear to believe China was going to attempt to match U.S. or Soviet strategic programs in scale or lethality, and pointed out that substantial technical and logistical problems remained to be resolved. They concluded that the Chinese program "will be limited in scope, and in qualitative and quantitative achievements over the next decade, by the industrial, technological and skilled manpower weaknesses of China."[43]

Nonetheless, the program was alarming, particularly to the USSR, during a period when Chinese foreign as well as domestic policy were in an extraordinarily radical phase. The Sino-Soviet dispute deteriorated into open hostility and hatred during the mid-1960s, and finally into armed conflict in 1969, when Chinese and Soviet troops fought pitched battles at several places along their border. NIE 11/13-69, *The USSR and China*, speculated that the Soviet leadership showed signs of thinking about and preparing for a military showdown with China, one goal of which might be "using their air superiority to knock out Chinese nuclear and missile installations, while blocking Chinese retaliatory attacks on the ground with their own theater forces."[44] The estimators viewed that as being unlikely to achieve Moscow's goals, and as having extremely grave consequences, but could not rule out the possibility. In the end, cooler heads prevailed and the dispute eased somewhat, but the importance of China's strategic weapons—and also their vulnerability—was a key factor in U.S. strategic assessments of China that followed.

By 1974, the new NIO system had produced an Estimate that had somewhat firmer judgments about both the intentions and the scope of China's strategic programs. The program was judged to have slowed—owing to political, economic and technical constraints—and was aimed at developing a "token nuclear capability to strike the USSR west of the Urals and the continental U.S."[45] Rather than being a headlong rush to develop strategic weapons at all costs, the programs were now

---

[41] NIE 13-2-60, *The Chinese Communist Atomic Energy Program*, 13 December 1969, page 3.
[42] NIE 13-8-67, *op.cit.*, page 3.
[43] *Ibid.*, page 13.
[44] NIE 11/13-69, *The USSR and China*, August 12, 1969, page 7.
[45] NIE 13-8-74, *China's Strategic Attack Programs*, page 3.

considered to reflect both the domestic political realities of a chastened military (in the wake of the Lin Biao purges), and a less alarmed perception of their international situation, both in terms of a reduced threat from the USSR as well as improved ties to the United States. China was judged to have about 130 missiles and bombers capable of carrying nuclear weapons, and was expected to have as many as six intercontinental ballistic missiles capable of targeting the United States by the end of the decade, along with some submarine-launched missiles.[46]

China's military capabilities, including its strategic weapons programs, remain a topic of intense interest to U.S. Government policymakers. In some ways, little in the strategic relationship between China and the United States has changed in the nearly 30 years since the last Estimate in this collection was written. China maintains a small but credible nuclear force invulnerable to a first strike, has a full array of missiles capable of hitting U.S. bases or allies in East Asia, and a few weapons with sufficient range to strike the continental United States. The nature of the U.S.-China relationship has undergone fundamental changes for the better, largely because of the changes tracked through these Estimates in China's foreign policy. Few would argue, however, that it would make sense to ease or discontinue efforts to understand the People's Liberation Army and its conventional and strategic capabilities.

Sino-Soviet Relations in American Eyes

From the earliest papers in this collection, the close affiliation between the Communist Party of China and the party-government of the Soviet Union was taken for granted, and was deemed to be inimical to American interests. ORE 45-48, looking at the perilous position of the Nationalist Government of Chiang Kai-shek in July 1948, judged that a Nationalist collapse and replacement by a Chinese Communist Party "under Soviet influence if not under Soviet control," was the "worst prospect," but one increasingly likely.[47] Six months later, after Communist armies had defeated the Nationalists in Jinan, Jinzhou, Shenyang and other key cities, the estimators knew the outcome was no longer in doubt: "There are no effective Nationalist forces" capable of sustained resistance, they judged. As for the Communist Party of China,

> It shares with the USSR a common ideology, a common political organization, common strategies and techniques, and at present, a common goal. The Chinese Communist Party has never publicly deviated from the Soviet Party line, has never publicly criticized any Soviet action or representative, and has never publicly given any indication whatsoever that it could be oriented away from the USSR and toward the United States. It is certain that the Chinese Communist Party *has been and is an instrument of Soviet policy*.

There was "no chance of a split," at least for the present.[48]

The equation of Chinese and Soviet systems, policies and interests was fully justified in the wake of the establishment of the People's Republic in 1949. Beijing made its allegiance to Moscow perfectly clear in its political structure and practices, as well as its policies. The Treaty of Friendship, Alliance and Mutual Assistance signed in February 1950 linked the two countries in what looked to be a strong defense pact. China's intervention in the Korean War in 1950 was assumed to be an example of doing Moscow's bidding.

---

[46] *Ibid.*, There was some dispute within the intelligence community on the numbers, with both the Navy and Air Force taking footnotes to the quantitative estimate of China's future weapons development.
[47] ORE 45-48, *The Current Situation in China*, July 22, 1948, page 2.
[48] ORE 77-48, *Chinese Communist Capabilities for Control of All China*, December 12, 1948, pages 3, 8, emphasis added.

Nonetheless, watching for a split or strain in what was perceived to be a critical relationship became a consistent theme of estimators looking at both the PRC and the Soviet Bloc as a whole. They shared this interest with academic observers as well. With the benefit of hindsight, it is tempting to compare them, to see who, if anyone, "got it right" first. That is not a particularly fruitful exercise. As early as 1952, the drafters of NIE 58, *Relations Between the Chinese Communist Regime and the USSR*, identified areas to watch for possible strain in relations, including efforts by the USSR to intensify its control over China, military and economic assistance, border demarcation issues, relations with other Communist movements in Asia, and Mao's ideological role in the overall Communist movement. They concluded, however, that the mutual interests of the two countries and parties—and particularly the shared goal of eliminating American influence in Asia—would outweigh factors that might drive them apart.[49] Academic experts, writing slightly later, drew similar conclusions.[50]

The strains began in 1956, with Nikita Khrushchev's denunciation of Stalin at the 20th Congress of the Communist Party of the Soviet Union in February (which the Chinese resented), grew with Soviet contempt for Mao's decision to form "communes" during the Great Leap Forward in 1958, and reached a serious stage with Moscow's reluctance to back China during the 1958 Quemoy-Matsu crisis, and with Khrushchev's efforts to develop a closer relationship with Washington. But the strains remained hidden beneath a continuing patina of socialist solidarity for more than a year, only breaking into open polemics in April 1960.[51] In August, NIE 100-3-60, *Sino-Soviet Relations*, noted a "sharp increase in discord," between the "two voices of authority" within the Communist movement. The paper thoroughly examined all aspects of the increasingly complex Sino-Soviet relationship, and concluded: "We believe the cohesive forces in the Sino-Soviet relationship are stronger than the divisive forces and are likely to remain so throughout the [five-year] period of this estimate, at least." Nonetheless, while an open break was unlikely, so was a fundamental reconciliation of their increasingly divergent views.[52]

In November 1960, Moscow convened a major international conference of communist parties, in hopes of restoring a semblance of discipline within the movement. But the long and contentious meeting, which ended up merely exacerbating the split between the Chinese and Soviet parties, did not result in an open break. An Estimate done the following year, NIE 10-61, *Authority and Control in the Communist Movement*, summed up the increasingly tattered state of the movement, but did not alter the judgment of the previous year that the Sino-Soviet dispute would persist but would not necessarily worsen. And indeed, after the removal of Khrushchev in 1964, Soviet leaders did appear to be trying to patch up the relationship with China. But everyone misjudged Mao and his ability to impose his views on Chinese policy, including its foreign policy. In his increasingly sharp disputes with his domestic adversaries, Mao used accusations of support for Soviet "revisionism" to

---

[49] See NIE 58, *Relations Between the Chinese Communist Regime and the USSR: Their Present Character and Probable Future Course*, September 10, 1952, pages 2-5.

[50] See, for example, Howard L. Boorman, Alexander Eckstein, Philip E. Mosely, and Benjamin Schwartz, *Moscow-Peking Axis: Strengths and Strains*, (New York: Harper & Brothers Publishers, 1957); W. W. Rostow, *The Prospects for Communist China*, (Cambridge, MA: Technology Press of the Massachusetts Institute of Technology, 1954), particularly chapter 4.

[51] For an excellent summary of the entire range of CIA analysis of the Sino-Soviet split, including some of the estimates included in this collection, see Harold P. Ford, "Calling the Sino-Soviet Split," in *Studies in Intelligence*, Winter 1998-1999, available at http://www.cia.gov/csi/studies/winter98_99/art05.html.

[52] NIE 100-3-60, *Sino-Soviet Relations*, August 9, 1960, page 14. Some academic studies during the period did see a more direct tie between domestic politics and the Sino-Soviet rift. See, for example, Donald S. Zagoria, *The Sino-Soviet Conflict: 1956-1961* (Princeton: Princeton University Press, 1962), William E. Griffith, *The Sino-Soviet Rift* (Cambridge, MA: The MIT Press, 1964), and David Floyd, *Mao Against Khrushchev: A Short History of the Sino-Soviet Conflict* (New York: Praeger, 1964).

undermine Liu Shaoqi, Deng Xiaoping and others, and attacks on the Soviet Union became even more venomous.

By 1966, ONE was ahead of the curve in understanding the fact that the volatility of China's domestic politics would also affect its foreign policy. "Sino-Soviet relations will continue to deteriorate so long as the Mao Tse-tung – Lin Piao leadership group retains authority," the estimators concluded in an overview of the bilateral relationship that year. While the estimators still thought an open break in state relations was unlikely, they stated

> …we cannot completely exclude a sudden explosion of the dispute into a new and more virulent form. . . . If China's power began to give punch to its national assertiveness, serious trouble could develop, particularly over the frontiers.[53]

Three years later, clashes along the Sino-Soviet border in Heilongjiang and Xinjiang took the relationship to its lowest state, and estimators observed that it was "reasonable to ask whether a major Sino-Soviet war could break out in the near future." Again, with a balanced perspective on the interests of both sides and the seriously damaging repercussions of a deepening of the conflict, they concluded that a war would not be initiated by China, and that the Soviet Union might consider a preemptive strike against China's strategic weapons facilities but probably would decide against it.[54] As to whether the antagonistic state of relations between the USSR and China might induce either to alter policies toward Washington, the Estimate was downbeat. Moscow might be "accommodating on minor issues . . . We are not suggesting that the Soviets presently contemplate any sacrifice of essential positions—e.g. the division of Germany and the legitimacy of a Soviet sphere in Eastern Europe. Even less likely is a major revision of China's anti-U.S. stance."[55] On September 11, 1969, Soviet Premier Alexei Kosygin stopped off in Beijing on his way back from Ho Chi Minh's funeral in Hanoi and conferred with Premier Zhou Enlai at the airport about the prospect of re-opening negotiations to resolve the border dispute. Zhou was non-committal, and reportedly warned Kosygin against a Soviet strike against Chinese nuclear bases. In late September, China exploded two thermonuclear devices at Lop Nur, one of them estimated to be more than three megatons. On October 7, China agreed to resume border negotiations, thereby easing the crisis considerably.[56]

The final Sino-Soviet Estimate in this collection was done in 1973 and concluded that

> The Sino-Soviet relationship, while it will continue to move through varying degrees of tension, is more likely to move toward lessened tension than toward war.

The paper looked at the prospects for and implications of both possibilities, and noted that a continuation of the troubled peace, with neither war nor reconciliation, seemed the most likely prospect. It again cautioned against any expectation that the West might be able to benefit from either an improvement or deterioration of the Sino-Soviet relationship. [57]

---

[53] NIE 11/12-66, *The Outlook for Sino-Soviet Relations*, December 1, 1966, pages 1-2.
[54] NIE 11/13-69, *op. cit.*, pages 1, 8.
[55] *Ibid.*, page 10. See Patrick E. Tyler, *A Great Wall: Six Presidents and China—An Investigative History*, (New York: Public Affairs Press, 1999), pages 61-69 for an interesting, if speculative account of how the Sino-Soviet border clashes affected the Nixon Administration's strategic thinking with respect to China, the USSR, and North Vietnam.
[56] China's Foreign Ministry account of the Zhou-Kosygin meeting can be found at http://www.fmprc.gov.cn/eng/ziliao/3602/3604/t18005.htm; Chinese nuclear test information is available at http://fas.org/nuke/guide/china/nuke/tests.htm.
[57] NIE 11/13/6-73, *Possible Changes in the Sino-Soviet Relationship*, October 25, 1973.

Overall, the papers on Sino-Soviet relations represent sound, cautious examination of complex issues, characteristic of inter-bureaucratic analysis in their nuanced evaluations of scenarios and possibilities, and their propensity to predict a continuation of the status quo. In many cases, that approach correctly predicted the outcome. In all cases, the Estimates presented the available evidence in useful summaries that enabled policy-level readers to understand the background of the evolving relationship. They fell short, in my view, in three areas: 1) over-estimating the importance of ideological solidarity and other centripetal forces within the Communist Bloc—at least in the 1950s; 2) having insufficient evidence of the impact of domestic politics on foreign policy in China; and 3) not being able (authorized) to evaluate fully the impact of U.S. policy choices on the foreign affairs decisions of the People's Republic of China or the Soviet Union. The last consideration is no fault of the estimators but was and still is a function of the need to maintain strict boundaries between intelligence analysis and policymaking.

The PRC-ROC-US Triangle

For the last of the three reasons cited above, the papers on the complex relationship between the United States, the People's Republic of China, and the Republic of China are the least illuminating of the collection. For 25 of the 28 years covered by these Estimates, the United States and China were locked in an implacably hostile relationship, in which no change was sought or expected. "The Chinese Communists are following a course of action designed to destroy U.S. strategic interests in the Far East and to reduce the worldwide power position of the U.S. and its allies," asserted NIE 10 in 1951,[58] and that judgment remained remarkably consistent for the ensuing two decades. Whether focused on Southeast Asia, Korea/Japan, or the Taiwan issue, Communist China's hostility to the United States, its interests and allies was taken for granted by ONE estimators. It was also axiomatic that China's strategic goal was to become the most powerful force in Asia. According to NIE 13-60: "A basic tenet of Communist China's foreign policy—to establish Chinese hegemony in the Far East—almost certainly will not change appreciably [for the next five years]."[59] NIE 13-9-65 took the case even further:

> For both ideological and nationalistic reasons, China regards the U.S. as its primary enemy. Peiping's immediate security interests and the short reach of its military power lead it to concentrate its main foreign policy efforts on undermining the US position in the Far East.[60]

Even in the wake of the obvious failures of China's foreign policy during the Cultural Revolution, NIE 13-69 (an excellent summary of 20 years of Chinese foreign policy) would insist, "Almost all Chinese—whether in Peking or on Taiwan—would agree that China's rightful position is one of political dominance on the Asian mainland, and ultimately throughout East and Southeast Asia."[61]

One could find fault with this kind of approach, on the grounds that it appears somewhat ideological—Cold War-like—and is seldom backed up with substantiating quotes from Chinese leaders about their own strategic goals. But the available facts suggest that the Estimates were well-grounded in reality. It may seem like a distant and strange memory today, but the Cold War was real in the 1950s and 1960s. Chinese official statements and rhetoric about the United States during that period are remarkably negative, shrill, and hostile. Nothing in them could be seen as accommodating or even vaguely desirous of improving bilateral relations. Estimative analysis of China's foreign policy aspirations, in fact, seems generally understated, or at least low-key. And the

---

[58] NIE 10, *op.cit*., page 2.
[59] NIE 13-60, op.cit., page 2.
[60] NIE 13-9-65, *Communist China's Foreign Policy*, May 5, 1965, page 1.
[61] NIE 13-69, *Communist China and Asia*, March 6, 1969, pages 6-7.

standards of objectivity, even on subjects relevant to American interest, were quite high in the papers in this collection.

That is particularly true with regard to the Taiwan issue. Even though the subject was not often raised, the papers in this collection are crisp and objective, and were not without controversy when they were written. The early ORE papers are particularly intriguing, especially when read in the context of the times—when China's civil war and American involvement in it were coming to an unhappy end, when controversy over China policy was swirling between the Departments of Defense and State, and between the executive and legislative branches, when anti-Communism was rising to a fever pitch in the United States. In July 1948, just after Congress had passed the China Aid Act, appropriating an additional $125 million for Chiang Kai-shek's government to use to procure additional military equipment, ORE 45-48, *The Current Situation in China*, delivered bleak news:

> The position of the current Nationalist Government is so precarious that its fall may occur at any time … Even with the current US aid program, the present Nationalist Government has little prospect of reversing or even checking these trends of disintegration. [T]he power and prestige of Chiang Kai-shek is steadily weakening because of the unsuccessful prosecution of the war and his apparent unwillingness and inability to accomplish positive reforms.[62]

The paper probably played a role in buttressing those in the State Department, including Secretary George Marshall and head of Policy Planning George Kennan, who were arguing for limiting the U.S. commitment of more aid to Chiang Kai-shek.[63] It certainly was not in agreement with U.S. military estimates that more effective supply of American arms would enable the Nationalists to hold out.

In early December 1948, on the eve of a visit to the United States by Madame Chiang Kai-shek to plead for more military and economic aid, ORE 77-48 *Chinese Communist Capabilities*, predicted that Nationalist resistance would collapse within a matter of months. Once the collapse had been completed, Communist forces would mop up all further local resistance "at leisure" and proceed to establish a nominal coalition government, dominated entirely by the Communist Party. The paper credited the Communist Party with effective military and logistical work, noted that it was pursuing "moderate" land reform policies in areas it already controlled, and faulted the Nationalist Government for its inability to undertake any meaningful economic or political reform.[64] Comparable objectivity on the part of State Department desk officers would draw accusations from some members of Congress that they were a "Red cell" of Communist sympathizers within the Far Eastern Bureau. The controversy eventually cost several China experts within the State Department their jobs and reputations.[65]

In selecting the Estimates for this collection, the editors chose not to include those that dealt with the government of the Republic of China (GRC) after Chiang Kai-shek set it up on Taiwan in 1949. The Estimates on the Taiwan Straits crises of the 1950s were included because of their attention to Peiping's role. Hopefully, those Estimates dealing with the Nationalists post-1949 will be included in later collections. In the Estimates on the Straits crises we have here, ONE analysts maintained a scrupulously objective approach to the issues at hand. NIE 100-9-58, *Probable Developments in the Taiwan Strait Area*—disseminated during the high point of the crisis in August 1958—speculated that the renewed attacks on the offshore islands were in part motivated by frustration on the part of

---

[62] ORE 45-48 *The Current Situation in China*, published July 22, 1948.
[63] See *Foreign Relations of the United States, 1948, Vol. VII, The Far East: China*, pages 118-154.
[64] ORE 77-48, *Chinese Communist Capabilities for Control of All China*, December 10, 1948.
[65] Tang Tsou, *America's Failure in China, 1941-50* (Chicago: University of Chicago Press, 1963), page 466.

"Chinese Communist" leaders that their efforts have "failed to visibly advance them toward their goal of ending the existence of the GRC [Government of the Republic of China]," nor have they prevented "wider international acceptance of a *de facto* 'two China' situation," or displaced the GRC at the United Nations. Nationalist objectives were equally frankly described as maintaining GRC prestige, keeping alive hope of returning to the Mainland, sustaining public morale, gaining more U.S. aid and a firmer commitment to Taiwan's defense and—for some unnamed officials—embroiling the United States in a war with Communist China.[66] The Estimate concluded with what came very close to being policy recommendations, judging that "lesser measures" by the United States, such as deploying more ships, providing Taiwan with more weapons, or issuing "warnings in general terms" would not deter the Chinese from their pressure campaign against the offshore islands.

In the end, the U.S. commitment to Taiwan was demonstrated conclusively to both Taiwan and the mainland, despite the Eisenhower Administration's obvious reluctance to be drawn into a costly war over indefensible and strategically valueless offshore islands. And despite the fact that Moscow made explicit threats to Washington to retaliate with nuclear weapons should the United States use them against China—Khrushchev's letter of September 19—its willingness to come to Beijing's aid was perceived to be hollow and conditional both by the United States and by China.

Although the subject of Taiwan in the relationship between the PRC and the United States would become a central issue in the negotiations that attended the visit of President Richard Nixon to China in 1972 (and remains the most sensitive issue in bilateral relations to this day), the topic never gets more than a passing notice in other Estimates in this collection. This is in some ways a result of the enhanced capabilities of policymakers, who no longer felt obligated to buttress their own appraisals of China's policies toward the United States with intelligence community papers. And it is in some ways a reflection of the growth in overall U.S.-China relations. No longer distant, dimly-perceived antagonists, Chinese leaders, in the mid-1970s, became frequent interlocutors of American presidents, national security advisers and secretaries of state, who began to understand their opinions, goals and intentions—so they believed—better than a committee made up of cautious generalists in the CIA headquarters.

Nevertheless, this collection reminds us once again of the value of Estimates for a long-range understanding of China and its policies. Combining historical appraisals and summaries with current events and a willingness to speculate about future contingencies, Estimates at their best were critical roadmaps for important issues confronting policymakers. They provided context, background, trends, predictions, and the observations and judgments of seasoned experts on the vital issues of the day. They offered important opportunities for members of the IC to focus their attention and pool their wisdom on issues of policy significance. And in retrospect, they make for fascinating reading for those who want to know more about intelligence analysis, the U.S. policy process, the People's Republic of China, and the early years of the U.S.-China relationship. I commend and thank the National Intelligence Council and the editors and declassification experts of CIA's Information Management Services for making this unique collection of papers available to the general public.

---

[66] SNIE 100-9-58, *op.cit.*, pages 5-6.